

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6478

BILL NUMBER: SB 130

NOTE PREPARED: Dec 14, 2005

BILL AMENDED:

SUBJECT: Occupational Therapists.

FIRST AUTHOR: Sen. Alting

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill establishes a licensure program for occupational therapists, and grants licenses to individuals previously certified as occupational therapists.

Effective Date: July 1, 2006.

Explanation of State Expenditures: *Licensure Program:* This bill converts the occupational therapists' certification program to a licensure program on July 1, 2006. There will be an increase in costs to the Professional Licensing Agency (PLA) for modifying existing stationary, applications, and other forms that require the wording change. The PLA should be able to implement the conversion within the existing level of resources available to the agency.

The Occupational Therapy Committee could need additional staff of the PLA to assist with the provision that requires the Committee to propose rules to the Medical Licensing Board regarding continuing competence requirements for occupational therapists and therapists assistants.

As of December 12, 2005, the PLA had 87 full-time staff members and 18 vacancies. If at least one COMOT 3 position was needed to fulfill the requirements of this bill, the position would cost the agency \$35,585 in FY 2007 and \$35,057 in FY 2008. The agency reverted \$81,600 from FY 2005.

Minority Teacher or Special Education Services Scholarship Fund: Because the bill removes physical therapy and makes it so that a student will initially qualify for a scholarship if the student pursues a course of study that will enable the student to be licensed as an occupational therapist, the number of students who could

potentially qualify for a scholarship from the Fund is reduced. This provision does not necessarily affect the amount of scholarship money awarded if it is otherwise spent on additional occupational therapy-based scholarships. The provision will likely have a minimal fiscal impact on the State Student Assistance Commission for reprinting the application form and any related materials.

Background Information: Current statute allows the Commission to annually grant scholarships of \$1,000, or \$4,000 based on a student's demonstration of need. If a student does not fulfill the conditions of receiving the scholarship, the student must refund the scholarship amount back to the state. For fiscal years 2005 and 2006, the General Assembly appropriated \$399,768 to the Minority Teacher or Special Education Services Scholarship Fund from the state General Fund. In FY 2005, approximately \$18,600 were refunded and more than \$339,000 were awarded in scholarships.

Explanation of State Revenues: *Licensure Program:* Revenue to the PLA could increase if converted license holders request duplicate wall licenses before the next renewal period beginning December 1, 2007. Currently, PLA charges \$10 for duplicate licenses.

Background Information: The Professional Licensing Agency reported that as of November 2005, 2,361 occupational therapists and 757 occupational therapy assistants held a certificate to practice and would be affected by the bill. In FY 2005, the Professional Licensing Agency collected \$334,457 in fees relating to occupational therapy. All fees collected concerning occupational therapy are distributed into the state General Fund.

Penalty Provision: This bill makes it so that laws related to occupational therapy do not apply to licensed physical therapists, psychologists, or speech language pathologists. This reduces the number of people who could potentially violate the laws. A violation results in a Class B misdemeanor. If fewer court cases occur and fines collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would decrease. The maximum fine for a Class B misdemeanor is \$1,000. However, any change in revenue would likely be small.

Explanation of Local Expenditures: *Penalty Provision:* A Class B misdemeanor is punishable by up to 180 days in jail.

Explanation of Local Revenues: *Penalty Provision:* When court actions occur and a guilty verdict is entered, local governments receive revenue from court fees. However, any change in revenue would likely be small.

State Agencies Affected: Professional Licensing Agency; Occupational Therapy Committee; State Student Assistance Commission.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: Barb McNutt, Professional Licensing Agency, 317-234-1987; State of Indiana List of Appropriations for Bienniums 2004-2005 and 2006-2007; State Budget Agency's Auditor's Data; State Student Assistance Commission website, www.in.gov/ssaci.

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